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MEMORANDUM FOR: Deputy Director of Central Intelligence
Deputy Director for Administration
Deputy Director for Operations
Deputy Director for Science & Technology
Deputy Director for Intelligence

FROM : Director of Central Intelligence

SUBJECT : Personnel Policy

1. A fair and workable career management system is one of the most important contributions to the health and morale of any organization. Beyond having an effective means for evaluating performance and recognizing superior performers, there must be room in the organization for capable individuals to rise to positions of greater responsibility. This requires a personnel flow which can exist only if there is recruitment of appropriate new talent at the bottom, ^a program for the effective career development and management of our employees, and a determined effort to identify, and weed out as necessary, the marginal and poor performers. The recently instituted three year trial period for new employees and the provisions of detailing common Agency policy and procedures applicable to employees ranked in the lower percentiles of their groups by reason of poor performance are two very concrete efforts to support a progressive personnel management system.

2. It is expected that the OMB imposed ceilings reductions for FY 77 and FY 78 will require personnel reductions in the Agency. I don't intend at this time to impose across-the-board cuts in the

Directorates and believe we can find a more equitable and less disruptive means to achieve the necessary reductions. One approach will be the identification and a determination of positive action for those individuals identified by the Career Services in their FY 77 APP as having been in the lower percentile of their groups for the past two and three years. A second approach may be the implementation of the early retirement option.

3. In pursuance of the above objectives, the Deputy Director for Administration is directed to:

- a. ensure effective supervisory action be taken to carefully evaluate the present performance and potential for future advancement of all new employees during the three year probationary period. If, at any time during that period it becomes apparent that the employee consistently, and despite reasonable counseling, fails to perform satisfactorily or is otherwise determined to be unsuitable, employment will be terminated.
- b. review with each Deputy Director the name lists of those identified in the FY 77 APP as consistent lower percentile cases and where the status has not been resolved, make recommendations either for re-assignment, downgrading or termination.
- c. advise the employees by memorandum, in the name of the Director, of the disposition of their cases.

When the decision is to terminate, employees will be advised of the termination authority, Section 102c of the National Security Act, and their right of appeal of the decision to the Director.

- d. provide me with an assessment of the impact that immediate reactivation of the service retirement option would have on each directorate.

STANSFIELD TURNER
Director